Reforms in oil sector

1806. SHRI BANGARU LAXMAN:
SHRIMATI VEENA VERMA:
SHRI C. RAMACHANDRAIAH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a special group of Ministers was set up for reforms in the oil sector;

(b) if so, the terms of reference of the group; and

(c) the details of the recommendations, if any, submitted by the group?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) to (c) Govt. has constituted a Group of Ministers to consider the recommendations of Prime Minister's Council on Trade and Industry and the Special Subject Groups thereunder made from time to time and examine the modalities for their implementation. As regards the Oil Sector, the Special Subject Group on Infrastructure have made the following recommendations:—

(i) Allow unrestricted entry under a well defined policy framework for the setting up and operation of pipeline.

(ii) Set up new pipelines for products under the 'common carrier' principle.

(iii) Establish an autonomous Pipeline Development and Regulatory Authority to assist developers and regulate the operation of the network.

LPG distributors in Rajasthan

1807. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of agencies entrusted with the work of LPG distribution in Rajasthan, till date;

(b) the number of LPG connections issued to them for distribution;

(c) the district-wise number of additional connections provided to them during the last five years; and

(d) the details of the new connections and new agencies likely to be sanctioned in each district of the State during the next five years?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) As on 1.10.98, there were 226 LPG distributorships with 13.44 lakhs customer population in Rajasthan.

(c) During the last five years i.e. 1993-94 to 1997-98 oil companies have released 5.43 lakhs LPG connections in Rajasthan.

(d) In addition to the locations pending from pervious marketing plans, 114 LPG distributorships have been included in the LPG Marketing Plan 1996—98 for Rajasthan. Oil Companies have already advertised a large number of these LPG distributorships. 3 Dealer Selection Boards have been constituted for selection of dealers/distributors for Rajasthan. It generally takes about 6.12 months for commissioning of the distributorship from the date of interview.

Release of connections depends on various factors such as waiting list, slack available with the distributor and enrolment plan for the country. etc. New agencies are opened on the basis of periodic surveys on the potential and viability of new locations.

Agreement with foreign companies

1808. SHRI RAMDAS AGARWAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) how many MOUs have been signed till date between Indian and foreign companies to accelerate the efforts in oil exploration and production; area-wise and company-wise;

(b) in how many cases the contracts have been awarded till date indicating the terms of agreement/names of the companies;

(c) the number of such oil fields for which this contract (signed) awarded indicating estimated oil reserves in these fields;

(d) the estimated amount of investment thereon; and

(e) the number of contract being implemented till date?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) and (b) Since 1992, 23 Production Sharing Contracts (PSC) for exploration blocks for exploration of oil and gas in India and 17 PSC for development of and production from 18 discovered fields in India, have been signed. Details of these contracts are given in the statement. (*see* below). The contracts of exploration blocks are production sharing contracts with a contract period of upto 25 years.

For exploration contracts, companies are exempted from payment of bonuses and statutory levies. The Government of India would have the first right of refusal in respect of the oil produced under these contracts, with company being paid for the share of oil at international prices. Provision for participation by ONGC/OIL in the venture at the exploration and/or the development stage has been made and ONGC/OIL can take a participating interest of upto. 40% in the venture. Provisions have also been made for the development of commercially exploitable natural gas resources.

The contracts for five medium sized discovered fields have been signed between Govt., ONGC or OIL and private companies. ONGC or OIL has 40% participating interest in the venture. For small sized fields, contracts have been signed between Govt. and successful bidding companies and ONGC/OIL does not have any participation. Contractors are required to pay all statutory levies and bonuses. Contractors are exempted from payment of import duties. Govt. has the first right of refusal to purchase entire oil produced under these contracts at international prices, provisions have also been made on marketing of natural gas.

(c) PSCs were signed for 13 oil fields with estimated ultimate reserves of oil at 48.47 MMt at the time of award.

(d) The estimated investment in the awarded exploration blocks and discovered fields is of the order of about US $ 2 billion including about US $ 1 billion invested till 31.3.98.

(e) 22 contracts for exploration blocks and 17 contracts for discovered fields are under operation. In one case, the company has relinquished after discharging its minimum work commitment.

Statement

List of 23 exploration blocks for which contracts have been signed since 1991

Sl. No.	Block	Name of company/consortium	
(i)	KG-OS-90/1	Hardy Oil & Gas, UK Hindustan Oil Exploration Company (HOEC), India Niko Resources, Canada Nagarjuna Fertilizers & Chemicals Ltd., India	Contract closed
(ii)	GN-ON-90/3	HOEC, India Mafatlal Industries, India	

Sl. No.	Block	Name of company/consortium	
(iii)	CY-OS-90/1	Hardy Oil & Gas, UK HOEC, India Tata Petrodyne Ltd., India	Under commercial production
(iv)	RJ-ON-90/1	Shell India Production Development B.V. Netherlands	
(v)	BB-OS/5	Essar Oil Ltd., India	
(vi)	CY-OS/2	Hardy Oil & Gas, UK HOEC, India Tata Petrodyne Ltd., India	
(vii)	RJ-ON-90/4	Essar Oil Ltd., India Polish Oil & Gas Co., Poland	
(viii)	RJ-ON-90/5	Essar Oil Ltd., India Polish Oil & Gas Co., Poland	
(ix)	CB-OS/1	Hardy Oil & Gas, U.K. HOEC, India Tata Petrodyne Ltd., India	
(x)	GK-ON-90/2	Okland International LDC, USA	
(xi)	GK-OS/5	Okland International LDC, USA	
(xii)	GK-ON/1	Okland International LDC, USA	
(xiii)	AA-ON/3	Okland International LDC, USA	
(xiv)	CB-ON/3	Essar Oil Ltd.	
(xv)	KG-ON/1	Tullow Oil Plc., Ireland JTI, USA Larsen & Toubro Ltd., India	
(xvi)	GK-OSJ/1	Tullow Oil Plc., Ireland JTI, USA Larsen & Toubro Ltd., India	
(xvii)	KG-OS/6	Cairns Energy, Australia Videocon International Ltd., India	
(xviii)	CB-OS/2	Cairns Energy, Australia Tata Petrodyne Ltd., India	
(xix)	AAP-ON-94/1	Hindustan Oil Explorations Company Ltd., (HOEC), India General Fribres Dealers Ltd, India	
(xx)	GK-ON/4	Phoenix Overseas Ltd., India	
(xxi)	RJ-ON/6	Phoenix Overseas Ltd., India	
(xxii)	CR-ON-90/1	Essar Oil Ltd., HOEC	
(xxiii)	AA-ON/7	Assam Company Ltd., Centurion Energy, Canada Canaro Resources, Canada	

List of 18 discovered Fields for which contracts have been signed

Sl. No.	Field	Name of company/consortium % Participating interest
Medium-sized fields:		
(i)	Panna & Mukta	Enron Exploration Company, USA (30%) Reliance Industries Ltd., India (30%) ONGC (40%)
(ii)	Mid & South Tapti	Enron Exploration Company, USA (30%) Reliance Industries Ltd., India (30%) ONGC (40%)
(iii)	Ravva	Cairns Energy, Australia (22.5%) Ravva (Oil) Singapore, Singapore (12.5%) Videocon Petroleum, India (25%) ONGC (40%)
(iv)	Kharsang	Geopetrol International, France (25%) Enpro India Ltd., India (25%) Geoenpro Ltd., India (10%) Oil India Ltd., (40%)
Small-sized fields:		
(v)	Hazira	Niko Resources, Canada (33%) GSPC, India (67%)
(vi)	Bhandut	Niko Resources, Canada (33%) GSPC, India (67%)
(vii)	Matar	Niko Resources, Canada (33%) GSPC, India (67%)
(viii)	Cambay	Niko Resources, Canada (33%) GSPC, India (67%)
(ix)	Sabarmati	Niko Resources, Canada (33%) GSPC, India (67%)
(x)	Asjol	Petrodyne Inc., USA (10%) HOEC, India (40%) GSPC, India (50%)
(xi)	Dholka	Joshi Technology Inc., USA (50%) L&T, India (50%)
(xii)	Wavel	Joshi Technology Inc., USA (50%) L&T, India, (50%)
(xiii)	PY-1	Mosbacher Energy, USA (50%) Petrodyne Inc., USA (10%) HOEC, India (40%)
(xiv)	Indora	Selan Exploration Technology Ltd., (100%)
(xv)	Bakrol	-do-
(xvi)	Lohar	-do-
(xvii)	Baola	Interlink Petroleum Ltd. (100%)